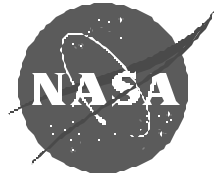


The SmartPlug™ Catalytic Ignition System

*Automotive Resources, Inc.
(formerly Aqualytic Technologies)
Sandpoint, ID*



INNOVATION

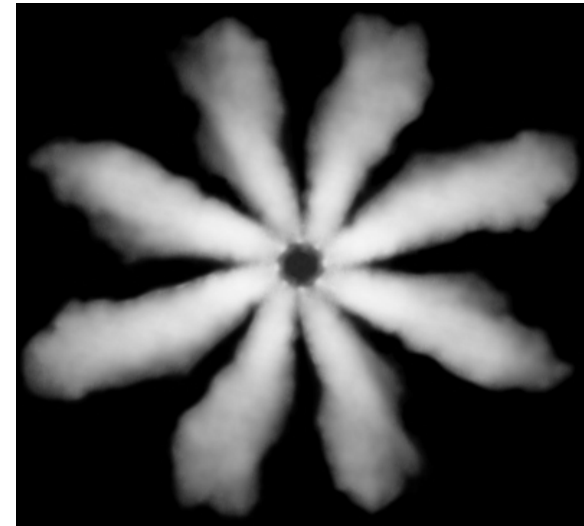
Precision timed Catalytic Glow
Plug Ignition System

ACCOMPLISHMENTS

- ◆ The SmartPlug™ Catalytic Ignition eliminating the need for magnetos and spark plugs
- ◆ Used with low octane unleaded fuels without the risk of detonation or other engine damage

COMMERCIALIZATION

- ◆ SmartPlug™ revenue to date \$125K
- ◆ Formed KNEW Corporation which has a worldwide exclusive license of Automotive Resources, Inc. patents on the SmartPlug™ Catalytic Ignition System. License fees are \$240K
- ◆ KNEW Corporation's capitalization is \$500K and has full time job equivalent of 5 employees
- ◆ Aircraft SmartPlugs™ e-commerce site launched May 2002



Powerful Catalytic Flame Jet Ignition Event

GOVERNMENT/SCIENCE APPLICATIONS

- ◆ NASA's GAP Program – SmartPlugs™ enable the use of unleaded fuels and conversion of General Aviation engines to JET A operation
- ◆ Army Communications & Electronics Command (CECOM) SBIR for converting Honda Generators from gasoline to JP-8 or Diesel #2 operation